VZCZCXRO6560 OO RUEHBI RUEHCI RUEHLH RUEHPW DE RUEHNE #1799/01 1821530 ZNY CCCCC ZZH O 301530Z JUN 08 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC IMMEDIATE 2451 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 6940 RUEHMO/AMEMBASSY MOSCOW 2707 RUEHKO/AMEMBASSY TOKYO 5695 RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC RUEIDN/DNI WASHINGTON DC RHHMUNA/CDR USPACOM HONOLULU HI RUCNDT/USMISSION USUN NEW YORK 6588 RHMFISS/HQ USCENTCOM MACDILL AFB FL RUEHGV/USMISSION GENEVA 7796 RHHMUNA/HQ USPACOM HONOLULU HI RHMFISS/HQ USSOCOM MACDILL AFB FL RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 03 NEW DELHI 001799

SIPDIS

DEPT FOR SCA/INS, DRL

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TAGS: PGOV PHUM PREL PINR KDEM IN

SUBJECT: JAMMU AND KASHMIR: BOARD WITHDRAWS LAND CLAIM,
PROTESTS SUBSIDE

REF: A. NEW DELHI 01674 ¶B. NEW DELHI 01644

Classified By: CDA John Davison for reasons 1.4 (B,D)

(C) Summary: On June 30, for the seventh consecutive day, Kashmiri Muslims in Sringar and Hindus in Jammu protested in response to the Jammu and Kashmir (J&K) state government decision to transfer 100 acres of land to the Shri Amarnath Shrine Board (SASB), a government-run organization that oversees an annual Hindu pilgrimage to a shrine in the Himalayas. Motivated by Muslim separatist groups in Kashmir, protesters reportedly took to the streets, clashing with police and subsequently suspending daily life as usual, including shutting down local transportation, businesses, and public schools. The confrontation resulted in a political crisis in the J&K state government and withdrawal of People,s Democratic Party (PDP) support for the Congress-led J&K state assembly, reducing the Congress Party to minority status. In response to public and political pressure, the SASB on June 30 announced its withdrawal of claims to disputed state property, transferring ownership back to the state government; in the mean time, relative peace has returned to the state. The land transfer deal may have opened up a political challenge for the in which any solution threatens will likely upset another group. It has potentially reversed GOI-led improvements within the last year, thereby putting Congress Party in a bind in the run up to state assembly elections in October 2008 and national elections in 2009. End Summary.

Political Motives for Land Transfer, Violence Ensues

¶2. (SBU) Violence erupted in Jammu and Kashmir (J&K) on June 23 after rumblings in that state for a month since the J&K government decision on May 26 to transfer 100 acres of land to the Shri Amarnath Shrine Board (SASB) in 2008. SASB is a J&K state government-run organization comprised of Hindu and Muslim representatives who manage the annual &yatra,8 or pilgrimage, to the Amarnath cave shrine in the Himalayas. Tens of thousands of pilgrims brave the two-month trip each year despite the harsh winter climate and the constant threat of terrorist attacks. (Note: In 1996, heavy rains and

snowfall killed an estimated 300 pilgrims. In 2000, Kashmiri separatists massacred 30 Hindu pilgrims en route to the Amarnath Temple. End Note.)

- ¶3. (SBU) On May 26, the Prime Minister,s former Special Envoy for Kashmir, Retired Lt. General Sinha, worked with the Congress-led state government to approve the transfer of 100 acres of state-owned forestland to the SASB, an organization for which he coincidentally served as Chairman. (Note: On June 27, NN Vohra replaced Sinha as the Special Envoy to J&K. Sinha retired from post, unrelated to land controversy. End Note.) The SASB planned to erect temporary structures on the allotted land to provide public accommodations for pilgrims in light of environmental and security dangers. The SASB's initial request for land was denied by the state government in 2005, per the Indian Constitution, that restricts J&K landownership to non-Kashmiri residents. Political observers noted Sinha,s political aptitude in utilizing his dual role as J&K Special Envoy and SASB Chairman to craft a solution in favor of the organization.
- 14. (U) Kashmir residents took to the streets in nonviolent demonstrations against the land transfer, starting May 26 throughout the Srinagar area. Muslim Kashmiri protests gained momentum June 23, as thousands of Kashmiris responded to a call for protest against the state government and SASB by separatist group All Parties Hurriyat Conference (APHC). Protests spread to over 20 localities, including Anantnag, Pulwama, Baramulla, Handwara, Chadoora, Ganderbal, Bandipore, Kulgam, and Shopian. On June 25, the situation took a turn

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for the worst, when police and the Central Reserve Police Force (CRPF) opened fire on demonstrators in the Srinagar-Gulmarg district, killing two teenagers, and injuring more than 70 protesters and police. Locals accused the police of firing on protestors indiscriminately, while police claimed that they resorted to force after repeated requests for protestors to remove road blocks. The residents have refused to bury the bodies and threatened to intensify demonstrations state-wide over the &illegal8 transfer of land. Joint action committees -- comprised of bar associations, chambers of commerce and industry and trade groups)- staged sit-ins against the controversial SASB land-transfer. For nearly a week, &normal life8 stood at a standstill. Shops and business establishments remained closed, public schools closed and government offices severely drawn-down. Counter protests occurred in the Hindu-majority Jammu area of J&K. Smaller crowds gathered in support of the SASB land deal to limited police presence and media coverage.

Political Crisis in J&K: PDP Withdraws from Congress Coalition

15. (C) In response to public criticism of the state government-led land deal, the People, s Democratic Party (PDP) withdrew support from the Congress-led coalition government on June 28, reducing the Congress party to a minority status in the J&K state assembly. The two parties had entered into a power sharing agreement after the September 2002 state assembly elections in which the Chief Minister,s post was to be rotated between PDP and Congress for three years in each six term assembly. PDP President Mehbooba Mufti withdrew her party,s support noting, &It is our moral responsibility to disassociate from the government without further delay. The PDP has 19 members in the 87-member state assembly. It was the major party to support the Congress Party, which has 21 members, and eight independents allied with the coalition government. Abdul Gant Vakil, Senior Vice President of the Congress Party, told reporters that the Congress Party would face the situation as it unfolds and remain in power under caretaker status as state elections approach in October 2008. A third political party, the National Conference, has called for a meeting of

its members June 30 to discuss future course of action.

SASB Withdraw Claim to Land

16. (SBU) On June 30, in response to public and political pressure, the SASB withdrew its claim to the state land, transferring land ownership back to the state government, in hopes that it would pacify protestors. The land has been returned to state control, which will be formalized at a cabinet-level meeting in the state assembly (Note: Date of cabinet meeting yet to be determined. End Note). media reports, Congress Chief Minister Ghulam Nahi Azad underscored that the SASB will continue to manage the annual pilgrimage and that the state had full ownership of the disputed 100-acres of land. He also appealed to J&K residents to restore peace and tranquility in the region. Observers tell Poloffs that the situation appears stable at the present time, as local residents take part in mostly nonviolent sit-ins and protests. However, they underscored the delicate political and security balance in the region and recommended a &wait and see8 approach.

Separatist Groups Maneuver

 \P 7. (SBU) APHC leaders Ali Shah Geelani and Mirwaiz Omar Farooq accused the Government of India (GOI) and the Congress-led state government of illegally confiscating

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public land and settling non-Kashmiris in an attempt to set up a &Hindu state.8 Political analysts further accused the state and central government of human rights abuse. In response to the APHC,s call to protest on June 23, the state government placed Ali Shah Geelani and Mirwaiz Omar Farooq under house arrest to prevent them from leading non-violent demonstrations. Furthermore, Jammu Kashmir Liberation Front (JKLF) Chairman, Farooq Siddiqi strongly condemned the &indiscriminate8 actions of local police and the Indian Army that led to the death of two teenagers. He noted that it was yet &another shameful act of India,s so-called democracy8 and declared that JKLF would continue to resist the Indian government until &freedom8 was achieved.

Comment: Congress Problems Grow

 $\P8.$ (C) The Congress-led UPA is in a bind. The BJP has an opportunity to use the latest incident for their national agenda by portraying the Congress Party as insensitive to Hindu constituents in the land deal controversy. However, if the Congress Party appears in favor of the land deal, it risks being vilified by Kashmiri separatist and opposition groups, tarnishing its improving relationship with local Kashmiris, and may likely intensify security challenges state-wide. (Note: The GOI has worked extensively within the last year to build bridges with the Muslim Kashmiri population as state elections quickly approach in October 2008 (ref B). End Note.) On the other hand, the UPA risks its political coalition with Hindu constituents nationwide if it denies the SASB land transfer. Either way, the land transfer deal, though momentarily resolved with the transfer of land back to the state government, may have created a political situation for the UPA government that has both state and national implications. The GOI has made a concerted effort within the last year to enhance its credibility with the Kashmiri population, which it hoped to portray as growing local approval of the democratic process within the Indian Union. As a result, there are signs of improvement in the state political, economic and security environment: campaigning for state elections has begun in earnest amid expectations of high voter turnout; government

security forces appear more attentive to human rights; and public support for separatists has declined. The JKLF and other opposition groups may use police- public confrontations as a beckoning call for public support of the separatist movement.

Comment continued: Non-violent Protests in a Volatile Region

19. (C) In contrast to dozens of security forces being killed in Orissa and Assam over the weekend, (reported septel) the few killed in J&K protests -- and the heavy coverage given to these protests -- demonstrates the potential for volatility in Kashmir; however, as political observers noted, the week-long protests in Srinagar appear to be on the down-swing and have remained relatively non-violent compared to the deadly separatist-led protests in 1989-1990 that left hundreds dead and displaced of more than 40 thousand non-Muslims in the area. Separatists had previously capitalized on public demonstrations, firing at police and military forces to force violent retaliation. A similar incident could have happened in the recent land agitation, quickly escalating into a more violent offensive, but it did Jammu and Kashmir residents, instead, demonstrated in relatively non-violent ways, holding picket signs, suspending public works and holding sit-ins in public sites. End Comment.

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